

ENVIRONMENTAL FEES NEWSLETTER

STATE BOARD OF EQUALIZATION

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January 1999

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1. GENERATOR FEE REFUND CLAIMS DUE MARCH 31

The Department of Toxic Substances Control (DTSC) has recently notified the Board of Equalization (Board) that funds are available to grant a partial refund of the generator fee and generator fee surcharge imposed on hazardous waste generated in 1997, as provided by Senate Bill 660 (Stats.1997, ch. 870). The Board, which will issue the refunds, recently sent eligible generators a letter that explains the refund process.

To qualify for a refund, you must have received a credit on your 1996 hazardous waste generator and generator fee surcharge return (or other billing for the same period) for fees you paid to a local hazardous waste management program for waste generated in 1996.

The DTSC has determined that your refund cannot exceed

- 50 percent of the local fee credit received for 1996 waste generation; or

- 50 percent of the amount you paid in 1997 to a Certified Unified Program Agency (CUPA) for administering the local generator fee program; or
- The amount of generator fees you paid to the state for 1997; whichever amount is *lowest*.

To apply for a refund, you must mail a written request to the Board, postmarked no later than March 31, 1999. If you believe you are eligible for a refund and you did not receive a contact letter, please contact the Board at 916-322-9534. Be sure to ask about the verification information that must accompany your refund request.

Please note: New legislation passed in 1998, Senate Bill 2014, addresses potential generator fee refunds that may be available in this and future years. *You must file separate requests* for the refunds authorized by that legislation. See article next page.

2. NEW LEGISLATION TAKES EFFECT

Bills passed in the 1998 legislative session, briefly summarized here, added and amended various sections of the Hazardous Substances Tax Law. Unless otherwise specified, all changes went into effect on January 1, 1999. All code section references are for the Health and Safety Code.

Please note: Environmental fees legislation is often technical in nature and complex. Unfortunately, space does not allow us to fully explain all of the provisions of each bill. If you would like to know more about how these changes in the law may affect you, please contact the DTSC or the



***For copies of
legislative bills...***

... please write:

Department
of General
Services,
Legislative Bill
Room
State Capitol,
Room B-32
Sacramento,
CA 95814

... or check the
Internet:

www.leginfo.ca.gov

*Be sure to download
the final, chaptered
version of the bill.*

Board. You may also wish to obtain a copy of one or more specific bills.

Assembly Bill 2067 (Chapter 880) — Manifest Fees. Imposes a \$3.50 fee upon each manifest form used for hazardous wastes derived from air compliance solvents, as defined. The legislation also requires the DTSC to implement, after January 1, 1999, a system that distinguishes among recycling manifests, air compliance solvent manifests, and general manifests.

In addition, the bill allows generators of hazardous waste and facility operators who receive hazardous waste to submit an electronic report to DTSC in lieu of a copy of the manifest. However, it requires that hazardous waste shipments must continue to be accompanied by original manifests that provide a detailed description of the transported materials. DTSC expects to have the electronic reporting system in place sometime this year.

Senate Bill 2111 (Chapter 309) — Silver Waste. Exempts silver waste from state regulation if it is not subject to federal regulation as a hazardous waste.

Senate Bill 2240 (Chapter 882) — North American Industry Classification System and generator fee surcharge. Allows the DTSC and the Board to use the North American Industry Classification System (NAICS) as an alternative to the Standard Industrial Classification (SIC) system for assessment of the environmental fee. Also reinstates the Board of Equalization's authority (repealed in 1997) to collect and refund the generator fee surcharge for reporting periods through 1997.

3. SB 2014 PROVIDES FOR POTENTIAL GENERATOR FEE REFUNDS

Senate Bill 2014 (Chapter 737), enacted in 1998, provides for two potential refunds for hazardous waste generators. The first is a

potential refund for generators who paid generator fees to the Board and who have also paid generator inspection fees to a certified unified program agency (CUPA). The bill provides that

- The generator must have taken local fee credits on the generator fee return filed for 1996 or another billing for the same period; and
- The refund cannot exceed the *lower* of (1) the generator fee paid for the period for which the claim is made; or (2) the hazardous waste generator inspection fee paid to a CUPA in the year covered by the return.

The second potential refund is for generators who submit hazardous waste for recycling. The bill provides that

- The waste must be submitted to an offsite facility that pays a facility fee, as described in section 25205.2 of the Health and Safety Code;
- The recycling of waste at the offsite facility must result in the generator being eligible for a lower generator fee category (calculated by deducting tonnage of waste recycled from total tonnage generated at that site); and
- The materials submitted to the offsite facility for recycling cannot be burned in a boiler, industrial furnace or incinerator; disposed of; or used to produce products applied to land.

All refunds will depend on the availability of funds, to be determined by the DTSC on or before June 30 of each year. As provided by Health and Safety Code section 25205.9 (a), available funds will be used to pay generator fee refunds before they are used to pay recycled waste refunds.

Claims for calendar year 1998 must be postmarked by March 31, 1999

If you wish to apply for a refund for the 1998 calendar year, you must send a



written request to the Board, postmarked no later than March 31, 1999. Please note that you must file a *separate request* for each type of refund, for each generation site. While 1998 claims are due in March 1999, the DTSC has not yet determined whether funds are available to pay those claims, and may not do so before June 30, 1999.

For information regarding documents needed to substantiate your claim, please contact the Board.

4. BE SURE TO TAKE A CREDIT FOR GENERATOR FEE PREPAYMENT

Before you file your 1998 annual generator fee return (due February 28, 1999), please review your records to determine whether you made a 1998 generator fee prepayment (due August 31, 1998). If you sent the Board a prepayment, be sure to take a credit on your annual generator fee return. Otherwise, you may remit more than you owe.

Reminder: If you have stopped generating hazardous waste, or if you are consistently generating less than five tons of waste in a calendar year, you are no longer subject to the generator fee. When you file your generator fee return, please attach a written request asking the Board to close your account. Be sure to state the reason your account should be closed.

5. SAVE TIME AND MONEY WHEN YOU CLOSE YOUR FACILITY

When you close a hazardous waste facility operating under a facility permit or one of the tiered permit programs, notifying the DTSC in advance will expedite the closure of your Board of Equalization facility fee account. It may also help you avoid interest and penalty payments on your final return or billing.

The Board cannot close out your facility account without official notification from the

DTSC and will continue to send you returns until notification is received.

A facility that treats or stores waste is not considered to have stopped treating or storing hazardous waste unless it has actually ceased that activity *and* has notified the DTSC of its intent to close. If you operate a treatment or storage facility, you are required to pay the applicable facility fee for one additional reporting period after you have stopped treating or storing waste. The facility fee for the additional reporting period will be based on the highest category in which your facility operated in any previous year.

Operators of disposal facilities, however, must pay twice the applicable facility fee for one additional reporting period after operations have ceased.

For more information, contact the DTSC:

Department of Toxic Substances Control
400 P Street
Sacramento, CA 95814
916-324-1826

6. NEW RETURNS AND ADDRESS — OCCUPATIONAL LEAD POISONING PREVENTION FEE

New return format

Beginning in January 1999, Occupational Lead Poisoning Prevention Fee returns will include both Category A and Category B information, previously found on separate forms. The fee rates for your category will be printed on your return.

New administrative office address

On November 2, 1998, the Occupational Lead Poisoning Prevention Program office moved to a new location:

1515 Clay Street, Suite 1901
Oakland, CA 94612

For fee waiver information, please call 510-622-4332.

Taxpayers' Rights Advocate

If you need help with problems you have been unable to resolve at other levels or you would like to know more about your rights under the law, please call the Advocate's office:
916-324-2798 or
888-324-2798
(toll-free).



7. HAZARDOUS SUBSTANCES FEE RATES — JANUARY 1, 1999

The Health and Safety Code provides for an annual adjustment of the rates for the disposal fee, facility fee, generator fee, tiered permit fee, environmental fee, and occupational lead poisoning prevention fee, based on changes in the cost of living as measured by the California Consumer Price Index. The following tables show the adjusted hazardous substances fee rates for calendar year 1999 and the 1998 rate for the occupational lead poisoning prevention fee.

Remember:
Be sure to put
your name and
account number
on your check so
we can credit your
payment to the
proper account.

DISPOSAL FEE Rate Per Ton			FACILITY FEE Base rate \$20,644		
CATEGORY	1999 FEE RATE		CATEGORY	1999 FEE	
Non-RCRA hazardous waste	\$ 10.74		Disposal	\$ 206,440	
Generated in a cleanup action	1.02		Large Onsite Treatment	61,932	
RCRA hazardous waste	32.72		Large Offsite Treatment	46,449	
– treated to be a non-RCRA hazardous waste	12.78		Small Treatment	41,288	
– treated to be a nonhazardous waste	1.53		Mini Treatment	10,322	
– generated in a cleanup action	22.50		Large Storage	41,288	
– generated in a cleanup action and treated to be a non-RCRA waste	4.09		Small Storage	20,644	
– generated in a cleanup action and treated to be a nonhazardous waste	1.53		Mini Storage	5,161	
Mining waste	10.74		Postclosure < 5 years		
Extremely hazardous waste	204.50		Small	5,725*	
Restricted hazardous waste	204.50		Medium	11,450*	
Solid waste residues resulting from incineration or dechlorination	4.09		Large	17,175*	
			Postclosure > 5 years		
			Small	3,050*	
			Medium	6,100*	
			Large	10,300*	
			Standardized		
			Series A	11,730	
			Series B	5,497	
			Series C	4,617	
			Series C small quantity	2,308	
			* Postclosure fees due are 50% of those shown if lead agency is not DTSC		
GENERATOR FEE Base rate \$2,871			TIERED PERMIT FEE		
WASTE TONNAGE GENERATED	1999 FEE RATE		PERMIT TYPE	1999 FEE	
5 – 24.9 tons	\$ 144		Permit-by-Rule (Facility and TTU)	\$ 1001	
25 – 49.9 tons	1,148		Conditional Authorization	1001	
50 – 249.9 tons	2,871		Conditional Exemption	38	
250 – 499.9 tons	14,355		Commercial Laundry	38	
500 – 999.9 tons	28,710				
1,000 – 1,999.9 tons	43,065				
2,000 or more tons	57,420				
ENVIRONMENTAL FEE			OCCUPATIONAL LEAD POISONING PREVENTION FEE		
NUMBER OF EMPLOYEES	1998 FEE	1999 FEE	NUMBER OF EMPLOYEES	CATEGORY A	CATEGORY B
1 – 49	\$ 0	\$ 0	10 – 99	\$ 207	\$ 296
50 – 74	200	204	100 – 499	414	828
75 – 99	350	358	500 or more	1,034	2,368
100 – 249	700	716			
250 – 499	1,500	1,534			
500 – 999	2,800	2,863			
1,000 or more*	9,500	9,714			
* New category for 1998 reporting period (Revenue and Taxation Code section 23205.6).					